

Charter
Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries

1. Committee's Official Designation: The Committee shall be known as the Department of Defense (DoD) Medicare-Eligible Retiree Health Care Board of Actuaries ("the Board").
2. Authority: The Secretary of Defense, under the provisions of 10 U.S.C. § 1114, the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., Appendix, as amended) and 41 C.F.R. § 102-3.50(a) (required by statute), established the Board.
3. Objectives and Scope of Activities: The Board shall provide the Secretary of Defense with independent advice and recommendations related to actuarial matters associated with the DoD Medicare-Eligible Retiree Health Care Fund ("the Fund") and other related matters described in paragraphs (4) and (5) below.
4. Description of Duties: The Board, under the authority of 10 U.S.C. § 1114, shall provide independent advice and recommendations related to actuarial matters associated with the Fund and on matters referred by the Secretary of Defense, including those regarding:
 - a. Valuation of the Fund under 10 U.S.C. § 1115(c);
 - b. Recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis; and
 - c. Advise the Secretary of Defense on all actuarial matters necessary to make determinations in order to finance liabilities of the Fund on an actuarially sound basis.
5. Agency or Official to Whom the Committee Reports: The Board shall report to the Secretary of Defense. The Board shall report annually on the actuarial status of the Fund, and the Board shall furnish its advice and opinion on matters referred to it by the Secretary. The Board shall report periodically, but not less than once every four years, to the President and the Congress on the status of the Fund and shall include recommendations for such changes as in the Board's judgment are necessary to protect the public interest and maintain the Fund on a sound actuarial basis.

The Secretary of Defense, through the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), may act upon the Board's advice and recommendations.

6. Support: The DoD, through the USD(P&R), shall provide support as deemed necessary for the Board's performance, and shall ensure compliance with the requirements of FACA, the Government in the Sunshine Act of 1976 (5 U.S.C. § 552b) ("the Sunshine Act"), governing Federal statutes and regulations, and established DoD policies/procedures.

Additional information and assistance, as required and with DoD approval, may be obtained from other DoD Components with contracting authority and from support contractors, including DoD Federally Funded Research and Development Centers, for studies and analysis support.

7. Estimated Annual Operating Costs and Staff Years: The estimated annual operating cost, to include travel, meetings, and contract support, is approximately \$69,000.00. The estimated annual personnel cost to the DoD is 0.4 full-time equivalent.
8. Designated Federal Officer (DFO): The Board's DFO, pursuant to DoD policy, shall be a full-time or permanent part-time DoD employee, and shall be appointed in accordance with established DoD policies/procedures.

The Board's DFO is required to be in attendance at all Board and subcommittee meetings for the entire duration of each and every meeting. However, in the absence of the Board's DFO, a properly approved Alternate DFO, duly appointed to the Board according to DoD policies/procedures, shall attend the entire duration of the Board or subcommittee meetings.

The DFO, or the Alternate DFO, shall call all meetings of the Board and its subcommittees; prepare and approve all meeting agendas; adjourn any meeting when the DFO or Alternate DFO determines adjournment to be in the public interest or required by governing regulations or DoD policies/procedures; and chair meetings when directed to do so by the official to whom the Board reports.

9. Estimated Number and Frequency of Meetings: The Board shall meet at the call of the Board's DFO, in consultation with the Board's Chairperson. The estimated number of Board meetings is one per year.
10. Duration: The need for this advisory function is on a continuing basis; however, it is subject to renewal every two years.
11. Termination: The Board shall terminate upon repeal of 10 U.S.C. § 1114.
12. Membership and Designation: The Board shall be composed of three members who are appointed by the Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries. The Board members shall serve for a term of 15 years; except those Board members appointed to fill a vacancy occurring before the end of the term for which the predecessor was appointed shall serve only until the end of such term. Board members may serve after the end of the term until a successor has taken office.

Board members shall be appointed by the Secretary of Defense and their appointments shall be renewed on an annual basis according to DoD policies/procedures. Board members who are not full-time or permanent part-time Federal employees shall be appointed to serve as experts and consultants under the authority of 5 U.S.C. § 3109 and serve as special Government employees (SGE) and shall, under the authority of 10 U.S.C. § 1114(a)(3), serve with compensation, to include travel and per diem for official travel, in accordance with 5 U.S.C. § 5703. Each member of the Board is appointed to provide advice on behalf of the Government on the basis of his or her best judgment without representing any particular point of view and in a manner that is free from conflict of interest.

A member of the Board may be removed by the Secretary of Defense for misconduct or failure to perform functions vested in the Board and for no other reason.

The Chairperson of the Board shall be designated by the USD(P&R), on behalf of the Secretary of Defense.

13. Subcommittees: The Department, when necessary and consistent with the Board's mission and DoD policies/procedures, may establish subcommittees, task groups, and working groups to support the Board. Establishment of subcommittees will be based upon a written determination, to include terms of reference, by the Secretary of Defense, the Deputy Secretary of Defense, or the USD(P&R).

Such subcommittees shall not work independently of the Board, and shall report all of their recommendations and advice solely to the Board for full deliberation and discussion. Subcommittees have no authority to make decisions and recommendations, verbally, or in writing, on behalf of the Board; nor can any subcommittee or its members update or report directly to the DoD or any Federal officers or employees.

The Secretary or the Deputy Secretary of Defense may approve the appointment of subcommittee members for one-to-four year terms of service; however, no member, unless authorized by the Secretary, may serve more than two consecutive terms of service. These individuals may come from the parent committee or may be new nominees, as recommended by the USD(P&R) and based upon the subject matters under consideration.

Subcommittee members, if not full-time or part-time Government employees, shall be appointed to serve as experts and consultants under the authority of 5 U.S.C. § 3109, and shall serve as SGEs, whose appointments must be renewed by the Secretary of Defense on an annual basis. With the exception of travel and per diem for official travel related to the Board or its subcommittees, subcommittee members shall serve without compensation.

Each subcommittee member is appointed to provide advice on behalf of the Government on the basis of his or her best judgment without representing any particular point of view and in a manner that is free from conflict of interest.

All subcommittees operate under the provisions of FACA, the Sunshine Act, governing Federal statutes and regulations, and governing DoD policies/procedures.

14. Recordkeeping: The records of the Board and its subcommittees shall be handled according to section 2, General Records Schedule 26 and governing DoD policies and procedures. These records shall be available for public inspection and copying, subject to the Freedom of Information Act of 1966 (5 U.S.C. § 552, as amended).

15. Filing Date: January 2, 2013